

Marketing strategies Of Berger paints Bangladesh limited

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BERGER



Marketing strategies of Berger paints Bangladesh limited

LETTER OF TRANSMITTAL

April 2014

Supervisor

Professor Dr. Rezaur Razzak
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Subject: Submission of Dissertation Report.

Dear Sir,

I am pleased to submit the Dissertation report on “Marketing Strategies of Berger Paints Bangladesh Ltd.” For partial fulfillment of MBA program. I employed all possible efforts to represent it as a phenomenal presentation.

Therefore, I took this report with a good grace and would be available at time for interpretation of ins and outs of the report.

Thanking you,

Sincerely yours

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Certificate of the Supervisor

This is to certify that the thesis on “Marketing Strategies of Berger Paints Bangladesh Ltd.” is done by Pinak Pani Mukherjee as a partial fulfillment of requirement of Masters of Business Administration” degree form” BRAC University”. The Dissertation has been carried out under my guidance and is a record of the bonafide work carried out successfully

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ACKNOWLEDGMENT

At first I want to express my gratitude to almighty God for giving me the strength, ability and opportunity to complete this report within the schedule time successfully.

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I also like to express thank to Mrs. Rupali Chowdhury (Managing Director). I also express my cordial like to thank all employees, whom I have found very much cordial and cooperative in spite of their excessive workload.

I have tried to fulfill my responsibility as much as possible to make this report attractive but some errors may occur without my intension. So I am requesting to pardon me and accept my report as the precious fruit of my hard work.

Executive Summary

This report covered the strategies of the Berger paint Bangladesh limited. Berger is one of the most renowned companies in our country. In formulating strategies the company first makes SWOT analysis on the basis of mission & objective. Berger Paints Bangladesh Limited (BPBL) has long been dominating Bangladesh market with about 50-55 percent market share and its painting in Bangladesh since independence. And this has been a footstep to bring more than 230 years of global paint industry experience into Bangladesh. Berger is one of the oldest names in paint industry tracing back to 1760. Lewis Berger, a German national, founded dye and pigment making business in England. Marketing strategies is one of the most important marketing mixes of Berger. Different researches show that customer demand is the most important asset of Berger for being the market leader of Bangladesh. Making this customer demand is possible not only by the quality products but also proper marketing strategies activities. Now most of the Brand loyal customers make Berger ahead from other competitors. Increase the price of raw materials and price war among competitors, these two ways pressure make a major change of the promotional activities of Berger.

This report will try to find out the customers view and the current practices of Berger and the competitor of Berger. This will help to identify and select the proper marketing strategy for Berger to remain the leader of the paint market in Bangladesh. Organizational and the marketing strategy of Berger have done by the help of the company document and interview with the employees of Berger. Comparative analysis of Berger has done by the help of interview with employees of Asian and Roxy Paints and market visit. Some other important additional information is obtained by a questionnaire survey to the paint dealers shop and customers in Dhaka and Narayanganj city.

They make strategies on depends STP (Segmentation, Target market selection & positioning) so first it segments its market on the year basis and than product basis. Decorative is the main product of Berger, it contributes about 82% of their total revenue. Than they select their target market. After selecting market they position its product by product differentiation, service differentiation and image differentiation. They price their product as they could capture most of the market share and better quality product at reasonable price. Finally the report also includes some suggestion and recommendation for making better strategy and removes their lacking.

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Chapter 01

Introduction

Berger Paints Bangladesh Limited (BPBL) has long been dominating Bangladesh market with about 50-55 percent market share. The fierce rivalry with many company forced UK-based Berger Paints to hone its marketing strategy by introducing Color bank, offering over 5,000 shades. Competition is stiff as many companies have gone for capacity expansion.

Low per capita consumption of paints, vast potential to upgrade the market, limited product range and increasing urbanization have made Bangladesh paint industry a promising area for investment. Some 38 small and medium size companies are engaged in paint production in Bangladesh. The total Bangladesh paint market is estimated to be over 50,000 tones valued at around Tk 450 core. Per capita paint consumption is around 250gm. With rising demand, other players such as Asian Paints, Elite, Romana, Roxy, Pailac and Aqua Paints, are also devising their marketing strategies to increase market share by introducing new products and promotional offers.

Promotion is one of the most important marketing mixes of Berger. Different researches show that customer demand is the most important asset of Berger for being the market leader of Bangladesh. Making this customer demand is possible not only by the quality products but also proper promotional activities. Now most of the Brand loyal customers make Berger ahead from other competitors. But paint companies are going through a difficult phase due to 15 percent duty hike on titanium and dioxide, main raw materials, and a price war among companies. These two ways pressures

make a major change of promotional activities of the company. Company like Berger is now adapting push strategy instead of pull strategy. This major change may create some problem because customers have seen Berger's advertisement and other activities less frequently and these may affect the brand image and the customer demand of Berger. This report will try to find out the customers view and the current practices of Berger and the competitor of Berger. This will help to identify and select the proper promotional strategy for Berger to remain the leader of the paint market in Bangladesh.

1.1 ORIGIN

The MBA program conducted by BRAC University, was already introduced in order to provide number of graduates in business sector. This program has been designed to facilitate the students and the executive to provide basic theoretical knowledge and practical in the job activities in the context of Bangladesh. Since the MBA Program is an integrated, practical and theoretical method of learning, the students of this program are required to have practical exposure in any kind of business organization last term of this course.

This report will be a requirement of the internship program for my MBA degree. The organization attachment started on December 17, 2013 and end on April 22, 2014. My Organizational Supervisor Ms.Fatema Baque Manager – Berger Home Décor Department, Berger Paints Bangladesh. Ltd. assigned me the topic of my report. And My Academic Supervisor Md. Rezaur Razzak, Department of Business Administration, BRAC University. The reason behind choosing this topic is that, to illustrate the activity of the

host organization BPBL. This organization has given emphasis on better customer service and more customer satisfaction and thus the customer service officer wants to get an idea of the current level of customer satisfaction at BPBL.

1.2 PURPOSE

The aim of this report is to study the marketing strategies of Berger Paints Bangladesh Ltd. with an emphasis on a comparative analysis of the issue in relation to different types of promotional strategy. The report also seeks to recommend a few measures to improve the existing promotional strategy of Berger Paints Bangladesh Ltd.

1.3 METHODOLOGY OF THE STUDY

All the information integrated in this report has been both from primary and secondary sources. To convene the objectives of the study, I realized that a single technique would not be efficient. Formal & oral conversation, direct observation, questioning clients & printed papers of the BPBL were found useful. To collect the necessary and meaningful information, the following methods are used.

The details of these sources are highlighted in the following:

Research Design: The research is been exploratory in nature because, the relevant data has been collected within the BPBL. I collected those applicable data from the literature and some small catalogue and sample.

The papers have being accomplished to get a deep insight and understanding about BPBL.

Source of Data: There are two types of data used in preparation of this paper. There are primary data and the secondary data.

1. **Primary Data:** In the primary data collection the key point here is that the data I collected is unique to all. There are many methods I use for collecting these data include: questionnaire, focus group interviews, depth interviews, observation, case-study, critical incidents, portfolios etc. The methods that used to collect the primary data are as follow:

- Face to face discussion with the personal officers and belongings of the head office.
- A survey conducted to collect data interviewing people with the organization.
- Open-ended the close-ended questionnaire method.
- In-depth study of selected cases.
- Observation method may use in some case.

2. **Secondary Data:** Secondary data is the data that has already been collected by someone else for a different purpose than the problem at hand. The secondary data has been collected from the different publication. To clarify different conceptual matters, internet and different articles published in the journals and Magazines be stated. The secondary sources are as follow:

- Annual Report of the Berger Paints Bangladesh Ltd
- Official website of the Berger Paints Bangladesh Ltd

- Various documentary file of BPBL
- Information for Internet.
- Newsletter and different circular sent by the head office of the BPBL.
- Various brochures on the product and service offered by the BPBL.
- Collecting information from the sales Office.

Sampling Design: Sampling is a tool which helps to know the characteristics of population by examining only a small part of it. The data has been collected randomly from 30 customers as a sample. A stratified sampling procedure will be used while collecting data.

Data collection: All the related data collected from primary data and the secondary data respectively. Primary data collected through questionnaire. Questionnaire used for data collection because it is the most appropriate way for getting information about the BPBL.

Data analysis: The data that collected from survey and observation is analyzed with applicable table. Graphs, charts etc. and necessary written information used.

1.4 Scope

The study was carried out on a 10 week basis in the Berger Paints Bangladesh Ltd where the intern is placed. Organizational and the promotional strategy of Berger have done by the help of the company document and interview with the employees of Berger. Comparative analysis of Berger has done by the help of interview with employees of Asian and Roxy Paints and market visit. Some other important additional information is obtained by a questionnaire survey to the paint dealers shop

and customers in Dhaka and Narayanganj city. Again this report mainly focuses on decorative sector so the targeted customers were mainly decorative paint users.

1.5 LIMITATION

The followings are the main limitations that were faced while preparing the report:

- Sample selection is not large enough to generalize the data in terms of all the customers in Dhaka city.
- Most of the findings, interpretation and hypothesis are based on the responses of the customers and dealers related with paint business.
- For this research we do not consider any customers or dealers related with industrial or marine sector. Only decorative sector has taken under consideration.

OVERVIEW OF BERGER PAINTS

Berger Paints began its painting in Bangladesh since independence. And this has been a footstep to bring more than 230 years of global paint industry experience into Bangladesh. Over the decades, Berger has evolved to becoming the leading paint solution provider in this country and has diversified into every sphere of the industry - from Decorative Paints to Industrial Coatings, from Marine Coatings to Powder Coating and what not. To give a comprehensive and sustainable painting solution to the need of the industry, Berger has invested more on technology and Research & Development (R & D) than any other manufacturer in this market. It selects the raw materials from some of the best known names in the world: MITSUI, MOBIL, DUPONT, HOECHST and BASF are a few to name. The superior quality of Berger's products has been possible because of support from its advanced plants and an international-standard of strict quality.

Investment in technology and plant capacity is even more evident from the new factory of Berger Paints Bangladesh Limited at Savar. The state-of-the-art factory is an addition to Berger's capacity to make it the paint-giant in Bangladesh. Not to forget about the first Double Tight Can manufacturing unit in its Chittagong factory. All, together with devotion into R & D to make it the reputed center of basic and applied research in paint and resin technology, proof the commitment that Berger has for this industry. With its strong distribution network, Berger has reached almost every corner of

Bangladesh. Nationwide Dealer Network, supported by 8 Sales Depots strategically located at Dhaka, Chittagong, Sylhet, Comilla, Rajshahi, Bogra, Khulna, and Mymensing has an unmatched capability to answer to paint needs at almost anywhere in Bangladesh. The sheer innovation and development drive is reflected on the various products Berger has so far launched in this market. The product range includes, specialized outdoor paints protective of the worst weather conditions, Color Bank, superior Marine Paints, Textured Coatings, Heat Resistant Paints, Roofing Compound and Epoxies. In each of the product category, Berger has always been the pioneer and will continue to do so proudly.

Berger's one of the prime objectives is to provide best customer support-connecting consumers to technology through specialized services like free technical advice on surface preparation, color consultancy, special color schemes etc. To bolster customer satisfaction, Berger has recently launched Home Decor Service from which one can get an array of services pertaining to painting. With world class range and durability, Berger is always ready to answer to all weather conditions.

2.1 BRIEF HISTORY

Berger is one of the oldest names in paint industry tracing back to 1760. Lewis Berger, a German national, founded dye and pigment making business in England. Lewis Berger & Sons Limited grew rapidly with a strong reputation for innovation and entrepreneurship culminating in perfecting the process of making Prussian blue, a deep blue dye, a color

widely used for many European armies' uniform. Berger Paints started its sailing into the sea of Bangladesh from pre-liberation era, to be precise in 1950. The main business flourished in the post liberation phase. In Bangladesh the major milestones of Berger Paints are given to the next page:

- 🚧 1950 – Started operation in Bangladesh by importing Paint from Berger UK
- 🚧 1970 - Establishment of Chittagong Factory
- 🚧 1980 – Named as Berger Paints (BD) Ltd. from Jenson & Nicholson (J&N)
- 🚧 1991 – BMRE in Chittagong Factory
- 🚧 1995 – Establishment of Double Tight Can Manufacturing Plant
- 🚧 1999 – Establishment of Most Modern State-of-the-Art Paint Production Plant in Dhaka
- 🚧 2002 - Construction of own building for the Corporate Office in Dhaka
- 🚧 2004 – Establishment of Powder Coating Plant

Vision

Berger wants to remain as the benchmark in the Paint industry by:

“Being an innovative and technology driven Company consistently delivering world-class products ensuring best consumer satisfaction through continuous value added services provided by highly professional and committed team”

Mission

Berger Paints Bangladesh Ltd expresses their mission in following manner:

“We shall increase our turnover by 100% in the next five years.

We shall remain socially committed ethical Company”

Strategy

The strategy of Berger can be summed as:

“Our strategy is to build long-term partnership with the customers/consumers. With their support, we aim to maximize the potential of our business- through a combination of enhanced quality of product, service, creative marketing, competitive pricing and cost efficiency.”

Quality Policy

The quality policies of Berger are as follows:

- 🚩 We at Berger Paints Bangladesh Limited are committed to achieving total consumer satisfaction.
- 🚩 We commit to project ourselves as an ethical and socially responsible company.
- 🚩 We commit to continue as the market leader through consistent sales growth, increasing productivity and developing new products befitting consumer needs.
- 🚩 We shall ensure continual improvement in our operations through utilization of our highly professional and dedicated team, proper process management and participation of our stakeholders.

2.2 MARKET SHARE ANALYSIS

At present Bangladesh paint industry has 6 companies who have significant market share. Berger Paints Bangladesh Ltd. is operating as the market leader and enjoying almost 53% of national paint market share. The nearest competitor is Asian Paints who reside far below the market leader in aspect of market share. The following Table shows the present market share of different companies in paint industry of Bangladesh:

Table 1: Market share of different Paint Companies

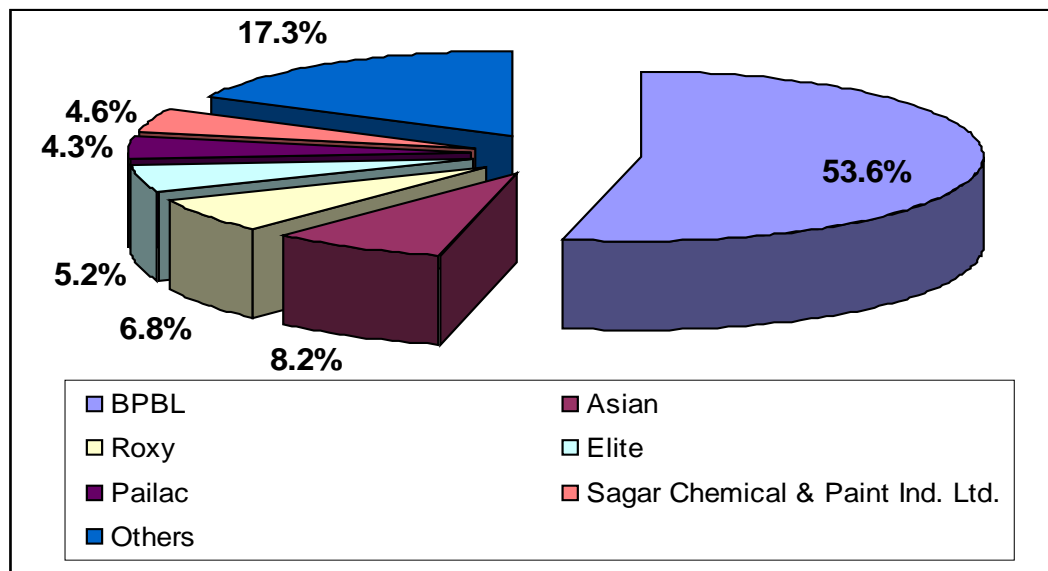
Companies	Market share
BPBL	53.67%
Asian	8.20%
Roxy	6.80%
Elite	5.20%
Pailac	4.30%
Sagar Chemical & Paint Ind. Ltd.	4.60%
Others	17.30%
Total	100%

Source: Company Official MS-Word Document

The Table shows that Asian Paints enjoying a market share of 8.2% and Elite Paint's market share is 6.8%. A very mentionable point about the national market share of different companies is, recently the market share of the local companies are declining whereas the market share of Berger Paints Bangladesh Ltd. is increasing. Added here, very recently a giant India based multinational paint company 'Asian Paints' has entered into this market under joint venture investment with Confidence cement Inc Ltd. Another local company 'Aqua' has launched recently. Asian Paints' market share in

2006 is 8.2%. Though the share is not very high but being new entrant their growth is significant. The market shares of the major paint category are given below:

Figure 1: Market share of different Paint Companies



Source: Company Official MS-Word Document

2.3 Nature of Company and Legal Status

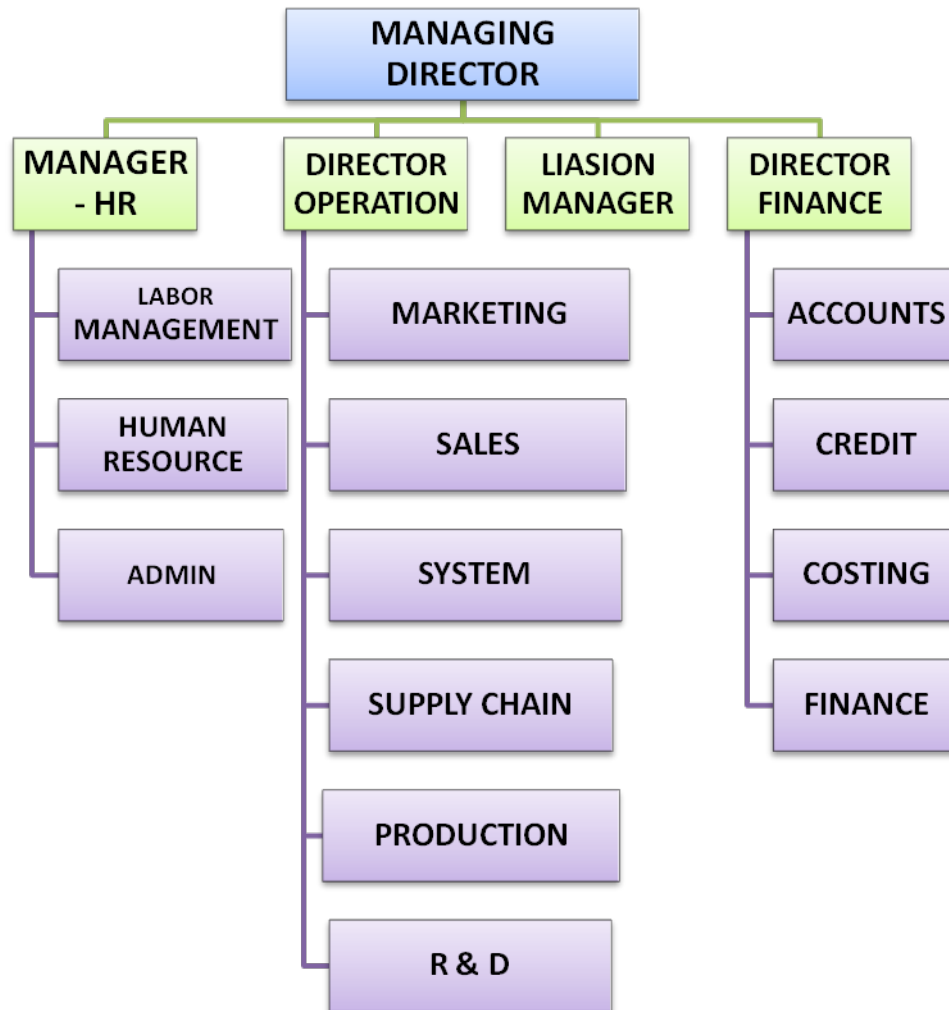
The Company was incorporated on 6 June 1973 as a “Private” company limited by shares registered under the Companies Act. Subsequently the company converted to “Public” company limited by shares vides Extra Ordinary General Meeting held on 21 June 2005 and listed both in Dhaka and Chittagong Stock Exchanges of Bangladesh. The registered office of the company is located at Chatteswari Road, Chittagong and the corporate office is located at Uttara, Dhaka-1230, Bangladesh

Board of Directors

Board of Directors of Berger comprises of eight members. Managing director is one of the members of Board of Directors. Beside General Manager – Operation and General Manager- Finance are also the members of this board. The directors are elected by the provision of the Articles of Association of the Company and retiring by rotation under The Article (121 and 122) of this company.

2.4 Organization Structure

Like any other organization Berger is also headed by a Managing Director. He/ She is directly supported by Two general managers (General manager- Operation and General Manager- Finance) and two Managers (Manager- HR a Liaison Manager). By the sufficient support of these four functional head MD is running the organization very effectively. The organ gram of Berger Paints Bangladesh Ltd Is shown next page:



Two major functional departments are Operation and Finance. Both these important departments are headed by respective General manger. But considering the greater importance and work load another General Manager and also two General Sales Managers (Industrial and Decorative) are put under GM Operation. Beside these two plants manager of Dhaka and Chittagong factory are also working under GM operation.

On the other hand Manager Finance and Manager Account work under GM Finance. In addition to that GM Finance also performs the complicated job like Credit and Costing of the company. The functional working area of both the GM (Operation and Finance) is given in the table.

Functional Head	Responsibilities
GM Operation	<ol style="list-style-type: none"> 1. Planning 2. Raw Materials 3. Production 4. Marketing 5. Sales 6. Supply Chain Management 7. Research and Development 8. Distribution
GM Finance	<ol style="list-style-type: none"> 1. Finance 2. Accounting 3. Credit 4. Costing

Human Resource Department of the company was established in the end of 1995. Its objective is to develop a well trained and motivated human resources team in a corporate environment which promotes open, honest behavior and stimulates creativity, team work and long term commitment. Administration and Labor management are two core jobs of HR department.

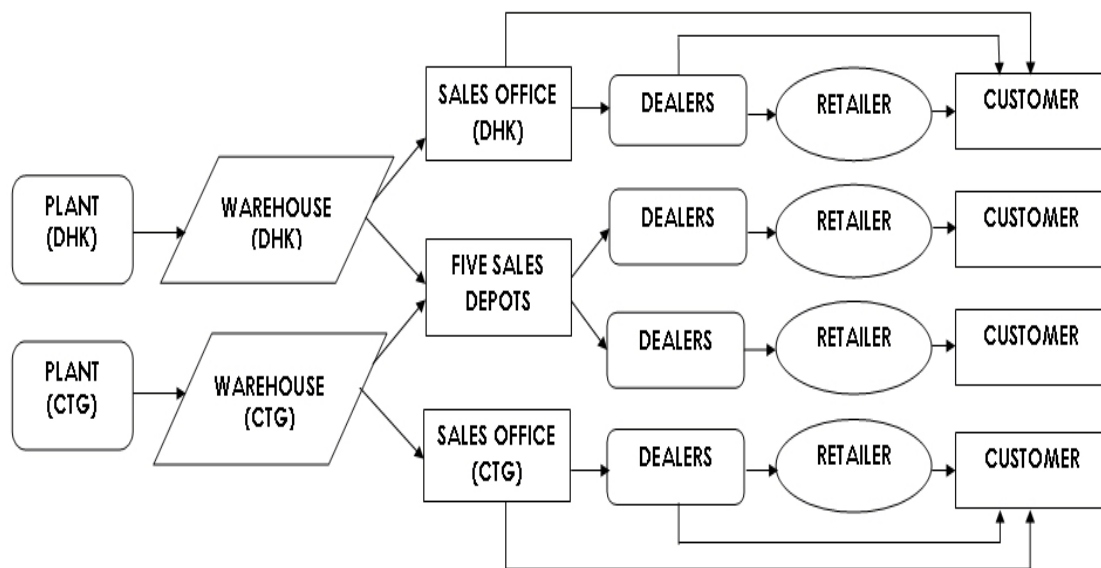
2.5 Operational Network

In the present context of our country, probably Berger has one of the most extensive and efficient distribution networks. Berger's two Warehouses located inside Chittagong factory and Dhaka factory complex. From there, products are supplied to Chittagong and Dhaka Sale office. From their finished products are distributed to other five depots located at Comilla, Rajshahi, Sylhet, Bogra and Mymensing. And at the end from both the sales

offices and also from the five sales depots paints are distributed to the dealers and retailers and in turn reaches to customers. Berger has almost 800 dealers around the country.

In some occasion both sales office and depots also sell paints to the end users directly. But at recent time the practices are being discouraged due to the companies arises out of it and also to reduce the work load of those offices and depots. Figure 3 in next page shows the details of distribution network of Berger.

Figure 3: Distribution Network of Berger Paints Bangladesh Ltd



2.6 Products

Berger markets both water based and solvent based paints in our country. Beside this Berger also market Cement paint which can be used for exterior wall coating. In addition to that Berger also markets small quantity of

powder coating paint. Paint can be divided into various types by considering different aspects.

🎨 Painting is mainly of three categories:

1. Decorative (about 84% – 85%)
2. Industrial
3. Marine

🎨 In Decorative sector, the two major classifications are:

1. Exterior
2. Interior

🎨 From the application sequence, paints can be categorized as:

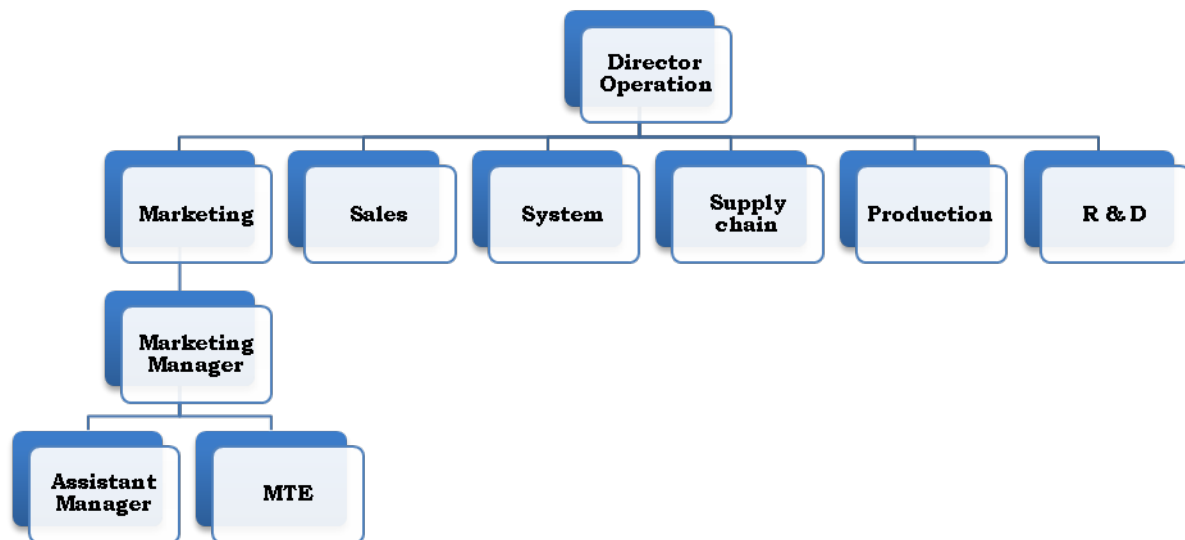
1. Primer
2. Under coat
3. Finish coat

🎨 Paints can be divided into two categories according to thinner/ solvent usage:

1. Water-based
2. Solvent-based

2.7 Framework Structure

The head of the Marketing Department is General Manager. His focus is both the marketing and sales. Under GM Sales and Marketing there is a marketing manager and a General Sales Manager.



2.8 Functions and Responsibilities

Berger Bangladesh, the leading paint manufacturer of this country started operation in Bangladesh after the devastating liberation war. At the period considering the economic condition and utility of the consumers Berger started with low priced products with better quality. Here it is to be mentioned that utility of the consumers was the main focusing point of Berger's marketing strategy during that period. With the passage of time slowly and gradually they switched over from lower end to higher end products. And today not only in upper end, Berger Bangladesh is market leader in both Luxury and Utility Products.

With the passage of time, as the social and national prevalence statistics improved, it become evident that paint market of Bangladesh will also expand. Instead of yearly white wash people started thinking about weather coat or durocem, not only for beautification of their establishment but also for maintaining those in a better way. As a result, consumers of today's paint industry not only look for variety of offering, but they also pay due attention

towards the quality of those products. And Berger being the leading paint manufacturer of this country set their marketing strategy to fulfill those requirements. And for that quality become the most important feature of their present marketing strategy.

Again as a whole we can say that, brand name, attractive packaging, affordable price, wide distribution channel and well planned supportive advertising and promotional activities are the marketing strategy of Berger. The company uses all these for increasing the perceived value of their products.

2.9Target Market

Berger segmented its markets basing on the behavioral variables. This variable divides the customer group basing on their benefit require. While dividing their customers considering their benefits required Berger also pay due attention towards: Quality, Service and Economy seeking attitude of their customer. In addition to that at some places

SWOT analysis to Formulate Strategies

SWOT analysis

To formulate the marketing & overall strategy of Berger paints Bangladesh limited,(BPBL) the management 1st analyze their mission and objective and then use the steps of SWOT analysis to find out the strength, weakness, opportunities and threats and then find out the main strategies for the company.

Strengths

- Strong brand names
- Good reputation among customers
- Cost advantages from proprietary know-how
- Exclusive access to high grade natural resources
- Favorable access to distribution networks

Weaknesses

The absence of certain strengths may be viewed as a weakness. For example, each of the following may be considered weaknesses:

- High cost structure
- Lack of access to the best natural resources
- Lack of access to key distribution channels
- High cost for importing raw materials

In some cases, a weakness may be the flip side of strength. Take the case in which a firm has a large amount of manufacturing capacity. While this capacity may be considered a strength that competitors do not share, it also may be considered a weakness if the large investment in manufacturing capacity prevents the firm from reacting quickly to changes in the strategic environment.

Opportunities

The external environmental analysis may reveal certain new opportunities for profit and growth. Some examples of such opportunities include:

- An unfulfilled customer need in some cases
- Arrival of new technologies
- Loosening of regulations
- Removal of international trade barriers
- A developing market such as the Internet
- Mergers, joint ventures or strategic alliances
- Moving into new market segments that offer improved profits
- A new international market
- A market vacated by an ineffective competitor

Threats

Changes in the external environmental also may present threats to the firm. Some examples of such threats include:

- Shifts in consumer tastes away from the firm's products.
- Emergence of substitute products.
- New regulations.
- Increased trade barriers
- A new competitor in home market.
- Price wars with competitors.
- A competitor has a new, innovative product or service.
- Competitors have superior access to channels of distribution.
- Taxation is introduced on your product or service.

After SWOT analysis the company makes its strategies for its product and service.

Chapter 04

Segmentation, Targeting and positioning strategies

Vision

Berger shall remain as the benchmark in the Paint industry by:
Being an innovative and technology driven Company consistently delivering world-class products ensuring best consumer satisfaction through continuous value added services provided by highly professional and committed team.

Mission

- ✚ Increase turnover by 100% in the next five years.
- ✚ Socially committed ethical Company.

BPBL's strengths are its resources and capabilities that can be used as a basis for developing a competitive advantage. Examples of such strengths include:

Marketing strategies of Berger is built on STP – **Segmentation, Targeting and Positioning**. Berger discovers different needs and groups in the market place, target those needs and groups that it can satisfy in the superior way and then position its offerings, so that the target market recognize the companies distinctive offerings and image.

Marketing strategies of Berger depends on

- 1) Segmentation of products.
- 2) Target market selection.
- 3) Positioning their product.

4.1 Segmentation strategies of Berger

Before segmentation their product Berger segments its business through the year. Generally the summer and winter is the peak season not only for Berger but also every paint producer. October to June is peak season and July to September is the lean season for the paint industry in Bangladesh, which is related to weather conditions.

The peak and lean months of the year, on the basis of the seasonality of the paint market, is as follows:

Month/ period	Conditions
January	Peak
February	Peak
March	Peak
April	Peak
May	Peak
June	Peak
July	Lean
August	Lean
September	Lean
October	Peak
November	Peak
December	Peak

Berger paint Bangladesh limited mainly segments their product mainly on three categories. These are

- 1) Decorative.
- 2) Industrial.
- 3) Marine.

4.1.2 Berger Decorative

Premium emulsions, regular acrylic emulsions, distempers, first quality enamels, exterior finishes, textured finishes, automotive refinishes- you would expect a company like BERGER, the premier paint company in Bangladesh, to have leading brands in all these categories. Yes, BERGER does.

BERGER also leads in a vast range of other formulations. Staving paints, chloro-rubber based enamels, epoxies, silicone heat resistant paints, flooring compounds, Polyurethanes.....

1, top coat finishes

2 color bank

3 premier/ undercoat /thinner

4.1.3 Top coat finishes

Product Name	Product Description
Luxury Silk	A marvel of international emulsion technology, Luxury Silk combines the best of aesthetic appeal with the best of functional properties like..
Robbialac Acrylic Plastic Emulsion (APE)	A standard emulsion paint formulated with acrylic..
Robbialac Super Gloss Synthetic Enamel (RSE)	Robbialac Super Gloss Synthetic Enamel is hardworking, premium quality synthetic enamel formulated to retain its gloss and film integrity in the face of extreme climatic variations...
Robbialac Acrylic Distemper (SPD)	A specially formulated acrylic co-polymer emulsion based washable distemper for elegant, smooth, durable, matt finish for interiors...
Weather Coat Smooth	Weather coat is smooth water based super exterior wall finish formulated to give exceptional durability in adverse climatic conditions...
Jhilik Synthetic Enamel	Jhilik Synthetic Enamel is an economy synthetic enamel formulated for interior and exterior application to give a glossy durable surface...
Durocem Cement Coating	Durocem is an exceptional formulation based on selected raw materials and specially treated white cement that makes it ideal for both indoor and outdoor applications...
Wood Keeper	
Robbialac Aluminium Paint	Robbialac Aluminium Paint is a superior 2- pack aluminium paint with a brilliant silver-like luster. It is ideal for application on the exteriors of storage tanks for water, petrol, oil...
Tartaruga Textured Coating	This is one of the most famous BERGER formulations in the world. The product is paste like having special aggregate to facilitate drawing desired textured patterns on the surface...
Illusion	Berger illusions is not just a paint... it's a whole new lifestyle for your walls. A range of designer wear for your walls with thousands of color options....

4.1.4 Color bank

Robbialac Plastic Emulsion Classic	
	Robbialac Synthetic Enamel Gold
	Luxury Silk Splendour
	Robbialac Pearl Lustre Finish
	Weathercoat Smooth Classic
	Robbialac SPD Super
	Wood Keeper Finesse

4.1.5 Premier/ Undercoat /Thinner

Product Name	Product Description
Robbialac Red Lead Primer	
Robbialac Zinc Phosphate Primer	
Robbialac Plastron Primer Sealer	This is an excellent primer, specially for plastered walls which seals and stops penetration of moisture from inside the wall and thus keeps the topcoat finish unharmed...
Robbialac Synthetic Undercoat	
Robbialac Anticorrosive Red Oxide Primer	Robbialac Red Oxide Primer provides an excellent, quick-drying protective coating on various types of ferrous metal surfaces...
Robbialac Water Sealer	
Robbialac T-6 for Air-Drying Primers & Enamels	
Bison All Purpose Primer	Bison All Purpose Primer is applicable on concrete, wooden and metal surfaces. It can be applied on both new and old surfaces...
Auto Coat Primer Surfacer/Undercoat	

4.1.6 BERGER INDUSTRIAL

This is a different segment of Berger's wide range of paints mostly used for the industries both as raw materials and as protective paints for the equipments and buildings. Berger industrial paint is the economy brand of industrial paints.

Very soon an **Industrial manual** will be available in this site which is a guidebook to the exhaustive range of products offered from Berger Paints. Soon you'll find, as you start using this book, that Berger has an answer to almost each of your need when it comes to painting.

- 1 industrial finishes
- 2 high productive coatings
- 3 Industrial premiers
- 4 Others.

Industrial finishes

Product Name	Product Description
Berger Suprakoat Powder Coating	
Jensolin Industrial Enamel	A top quality glossy paint based on high quality selected resins and pigments. It has versatile applications...
Jensolin Stoving Primer	This primer is based on Alkyd / Amino resin combination as well as anti-corrosive pigment and is most suitable under stoving finishes...
Jensolin Chlororubber Lacquers	A chlorinated rubber based finish with exceptional properties like water impermeability, resistance to salt spray, spillage and fumes of most acids...
Jensolin Stoving Enamel	This is high performance enamel based on a blend of high grade thermo-setting Alkyd-Amino resin together with high quality pigments...

4.1.7 High productive coatings

Product Name	Product Description
Jensolin Epoxies	A two pack anticorrosive epoxy primer for use on steel surfaces. This primer is ideally designed for offering superior performance in highly corrosive chemical and coastal environments...
Jensolin Polyurethanes	

4.1.8 Industrial primers

Product Name	Product Description
Jensolin Red Oxide Primer	
Jensolin Red Lead Primer	This is a quick drying Red Lead Primer to use on structural steel. Provides a hard drying, anticorrosive coating, suitable for over coating with conventional finishes and chlorinated rubber coatings...
Jensolin Zinc Phosphate Primer	Jensolin Zinc Phosphate Primer is based on a special synthetic resin in which zinc phosphate is used as a rust-inhibiting pigment...
Jensolin Zinc Chromate Primer	Jensolin Zinc Chromate Primer is based on a special synthetic resin in which zinc chromate is used as a rust-inhibiting pigment...
Jensolin Wash	A two pack etch primer for use on

4.1.9 Berger Marine

Bangladesh is a riverside country with a large no. of big & small rivers and their tributaries. Moreover, it has a large sea coastal area with Bay of Bengal. Because of this facility a good proportion of transportation is being done by sea & river. Bay of Bengal is well known for its fish reserves. Our fishing trawlers & boats are engaged in fishing in Bay of Bengal. We have two sea-ports and a good no. of river ports. A good no. of ships are coming to and going out from these seaports. Large no. of sea-coasters, launches, trawlers, barges, and country - boats (powered and Unpowered) are plying everyday through sea-coasts and rivers.

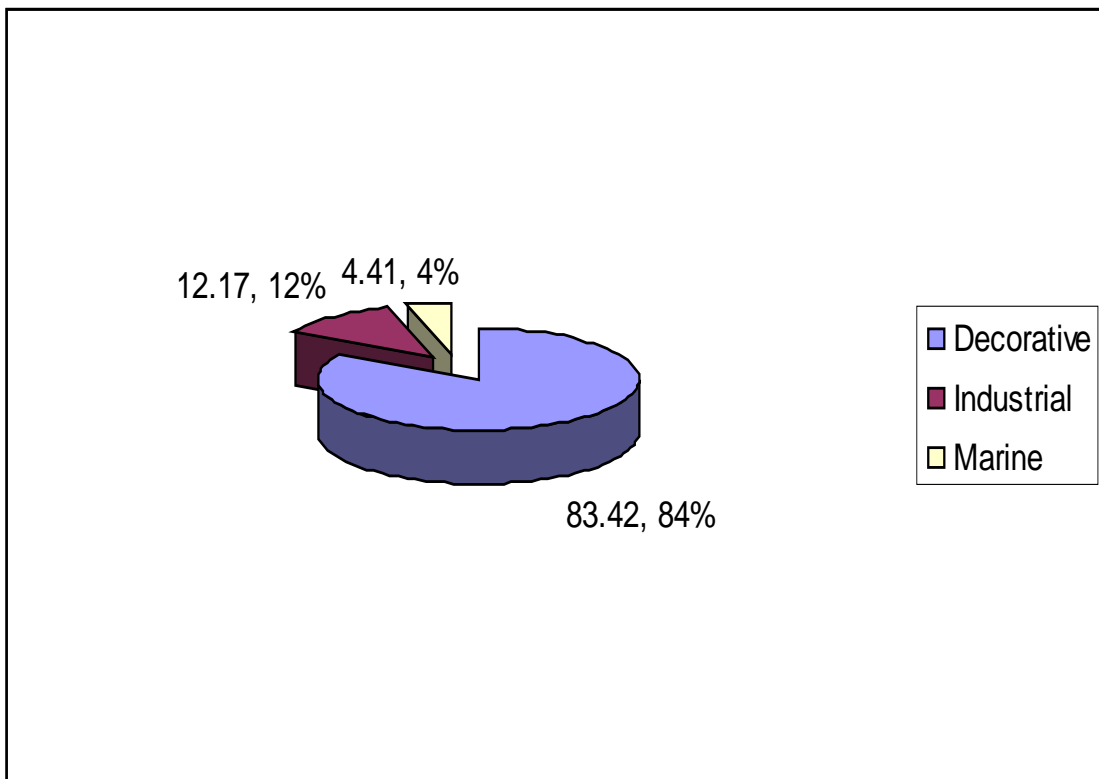
So huge activity could be seen in sea-ports, river- ports, dockyards & dry-docks. Besides there are shore and off-shore constructions, Pontoons, Buoys, oil/gas rigs, underground or underwater pipelines. To cater to the need of maintaining these vessels & other constructions Berger has introduced a wide range of Marine paints suitable to withstand rigorous marine weather both at sea & sea-coasts and also at river & river-ports. Berger is here to help you choose the kind of protection you need for your belongings.

4.2 Targeting strategies

Berger has chosen target markets to co-operate in the interest of overall company in a socially responsible manner. The total size of the paint industry in Bangladesh is estimated at taka 4.29-4.44billion in 2005. The paint industry can be divided into three segments. These are

- a) Decorative.
- b) Industrial.
- c) Marine.

The decorative segments of the market accounts for a whopping 83.42% of the total industry, whereas industrial, marine segments contribute 12.17%, and 4.41%, respectively.



The major focus of the companies, operating in the industry, is towards decorative segment. Only a few of the companies have their product offerings in industrial and marine segment. All the competitors are concentrating their best efforts for carving out their share of the pie in the decorative segment of the industry. The enamel segment accounts for around 50% of the decorative paint market, by value, and approximately 40% by volume.

Berger market share in the synthetic enamel category increasing gradually. As this product is accountable for the major share of the paint market, its continued success will result in significant growth of the overall market share of the company. This will also enable Berger to battle its competitors by weakening them in such a strategically important segment.

4.3 Positioning strategies

Berger designs the company's offerings and image to occupy distinctive place in the mind of the target market.

For positioning in the mind of the target market Berger has differentiated its variables.

Product differentiation

Product differentiation on the basis of size, shape, color shade, convenient size of their paint container, plastic container and so on. It's also maintain its better quality product, finest color shade, durable & long lasting paint, and they are also responsible to the customer wants and satisfaction.

Service differentiation

Every company in the service market differentiates their service to be the best service company and capturing most of the market share. Berger differentiates its service comparing to the other competitors. These are

- ✚ Ordering ease
- ✚ Customer consulting & delivery Service

4.3.1 Ordering Ease

Ordering ease of Berger refers to how easy it is for the customer to place an order to the company. So they introduce the online service in case of order. So the customer can order and receive its product without going to market.

Customer consulting & delivery Service







With a view to bolstering consumer satisfaction, Berger Paints Bangladesh Limited has introduced “Berger Home Décor” on June 15, 2002 through which one can get an array of services pertaining to painting.

Berger Home Decor offers two-stage services:

-  Free Service
-  Paid Service

Berger Home Décor is currently offering wide range of services to its prospects and existing consumers embracing:

Technical advice on surface preparation and application guideline.

-  Paint selection.
-  Dealer selection.
-  Painter/ Contractor selection and
-  Color scheme.

There is defined Telephone number, 02-9354067 for queries. By ringing simply in the number one can make query or seek available services from the company. According to the nature of query, the company provides solutions.

4.3.2 Personnel differentiation

Berger always gains a strong competitive advantage through having better trained people. To recruit personnel employees who have ability and updated knowledge. Berger always doing courtesy and friendly relation to the customers. They are more reliable and responsiveness to personnel differentiation and the most importantly communicating ability of Berger Paints (BD) Ltd. successful.

4.3.3 Environment strategies of Berger for marketing

Berger is committed to maintain the harmonious balance of our ecosystem and therefore constantly seeks ways to manufacture and produce products in an eco friendly manner. From its inception, Berger has played a pioneering role in introducing new paint and paint technologies to the Bangladeshi market; Berger's efforts have established it as the most esteemed paint company of the country and have contributed significantly in its growth. Berger intends to continue its ceaseless endeavors in the future years, and it is expected that such efforts will contribute immensely to the sustained and growing success of the company's business.

Technology orientation Berger has always been the most technology oriented Paint Company of the country. It has the most modern state-of-the-art production facilities installed in its Dhaka factory. Its Research and Development (R&D) and Quality Control (QC) departments are equipped with the best technologies in this country. Such technology driven strategy will definitely assist the future business growth of the company.

Market responsiveness: Berger has always tried to respond promptly to market feedback. As a result, Berger enjoys competitive advantage over its competitors. It is expected that Berger will enjoy more growth in the future, if it continues to be so market responsive.

4.3.4 Channel distribution

Berger achieve competitive advantage through the way they design their distribution channels coverage, expertise and performance



Image differentiation

Berger has taken many powerful marketing strategies to build a high image in the market. It has strong slogan and symbols to identify image powerfully.

Media & sponsorship

Media is the mainstream to built and develop image not in our country but also allover the world. Burger built up its image through advertising, sponsoring different social and cultural activities.

4.3.5 Social responsibility

Berger paints has been organizing Young Painters; Art Competition for the last nine (9) years and also introduced Young Architects' Award from 2003. The company regularly contributes to a number of causes and social welfare institutions through donations and sponsorships. These efforts results in a better image for BPBL, as minds of the general public, who are, after all, consumers of their products.

4.3.6 Quality policy of the company

Burgers objective is to achieve business excellences through quality by understanding, accepting, meeting and exceeding customer expectations. Berger follows international standard on quality management system to ensure consistent quality of product and services to achieve customer satisfaction.

ISO Quality Policy

Berger Paints Bangladesh Limited is committed to achieving total consumer satisfaction. They commit to project themselves as an ethical and socially responsible company. Berger commits to continue as the market leader through consistent sales growth, increasing productivity and developing new products befitting consumer needs. It shall ensure continual improvement in their operations through utilization of highly professional and dedicated team, proper process management and participation of stakeholders. Berger will set measurable targets at appropriate stages and shall continuously monitor them.

“Provide better quality products at a highly affordable price for the better quality of people life” is the essence of the Berger’s marketing strategy, followed for their brands (Robbialac, Jhilik, Durocem and Others). Beside this recently they also introduced some specialized brands with some specialized attributes for attracting the customers of higher end, such as: Luxury Silk, illusion etc.

To support their strategy Berger pay due attention on selecting brand name, attractive and secure packaging, affordable pricing, maintaining wide distribution channel, and well planned supportive advertisement and promotional activities. At present in this aspect they are well ahead of any of their competitors. In this aspect, they have a strong backup come from highly developed R&D of multinational Berger Group. This particular session of the report deals with he details of Berger’s marketing effort related to paint marketing.

5.1 Product strategy

The principal activities of the company throughout the year continued to be manufacturing and marketing of liquid and non-liquid paints and varnishes and coating.

Products

Berger is the only company of this country which contributes all types of paint in our paint industry. And among those, other then powder coating

paint rest all are produced in their factory located in Chittagong a Dhaka. In the lower end of the segmented market, so far they did not try to bring variety. But in the upper end they introduced some specialized brand with added attributes. Satisfy the different customers they divided their market into three segments. They are:

- 🎨 Berger decorative
- 🎨 Berger industrial
- 🎨 Berger marine

The famous brands of Berger are given below: it is to be noted that all these are market leader in their respective category.

Brand	Category
Robbialac	Decorative
Parrot	Decorative
Luxury Silk	Decorative
Jensolin	Industrial
Seabore	Marine
Weather Coat	Decorative
Walmasta	Decorative
Acrylic Emalsion	Decorative

Again based on formulation products can be categorized into two different forms. They are:

- 🎨 Water based
- 🎨 Solvent based

Beside this Berger Color Bank introduces to the global way to paint with an unlimited choice of shades to match different customer's endless taste-instantly. The shade cards in Berger Color Bank stores are merely indicative

of the amazing choice Berger Color Bank can give to its customer. The rest is up to customer's imagination and fingertips. Every Berger Color Bank store has a computerized color tinting machine to help choose and take home of their own shades from their world class range of paints. Availability of customers chosen shades is always ensured as the paint is created and dispensed by the machine before their very own eyes.

Brand Name

To create brand familiarity and loyalty, from the very beginning Berger had been trying to promote its company name. And for that, beside their promotional activities they also highlight their company name in the packing material instead of highlighting the brand name. But with the passage of time now a day's marketing department shifted their focus from company name to their brand name and trying to promote those in all their promotional activities including packing material. As a result, today both the products and company brand are equally familiar to us.

Again Berger pays careful consideration and tries to read human psychology while choosing the brand name of their paints. Parrot- gives a cheap but easy spelled name, targeted towards the lower end of the society. On the other hand Robbialuc, Luxury Silk - towards the upper class people, carry a smell of status. Again Jhilik- gives the local tests and preference.

Packaging

Paint being sensitive item requires careful consideration while packing and for that Berger pays sufficient attention on their packing material. Berger Paints Bangladesh Ltd. Berger's drive for quality has led it to set up the first Double Tight can manufacture unit in the country.

5.2 Price Strategy

Price strategy of Berger can be spelled out in following manner. “Provide high quality product at highly affordable price”. At some places Berger had to change higher price than that of their competitor due to strict Compliance of quality and government financial law. Beside this Berger also consider Commissions / Discount to Dealers and Retailers while preparing the pricing strategy. Berger supplies their product to Dealers through some establishes discount basis. They also offer some special commission and discount rate for their premium Dealers, who can cross the benchmark, set by Berger. Basing on these Berger has three Pricing strategy, they are:

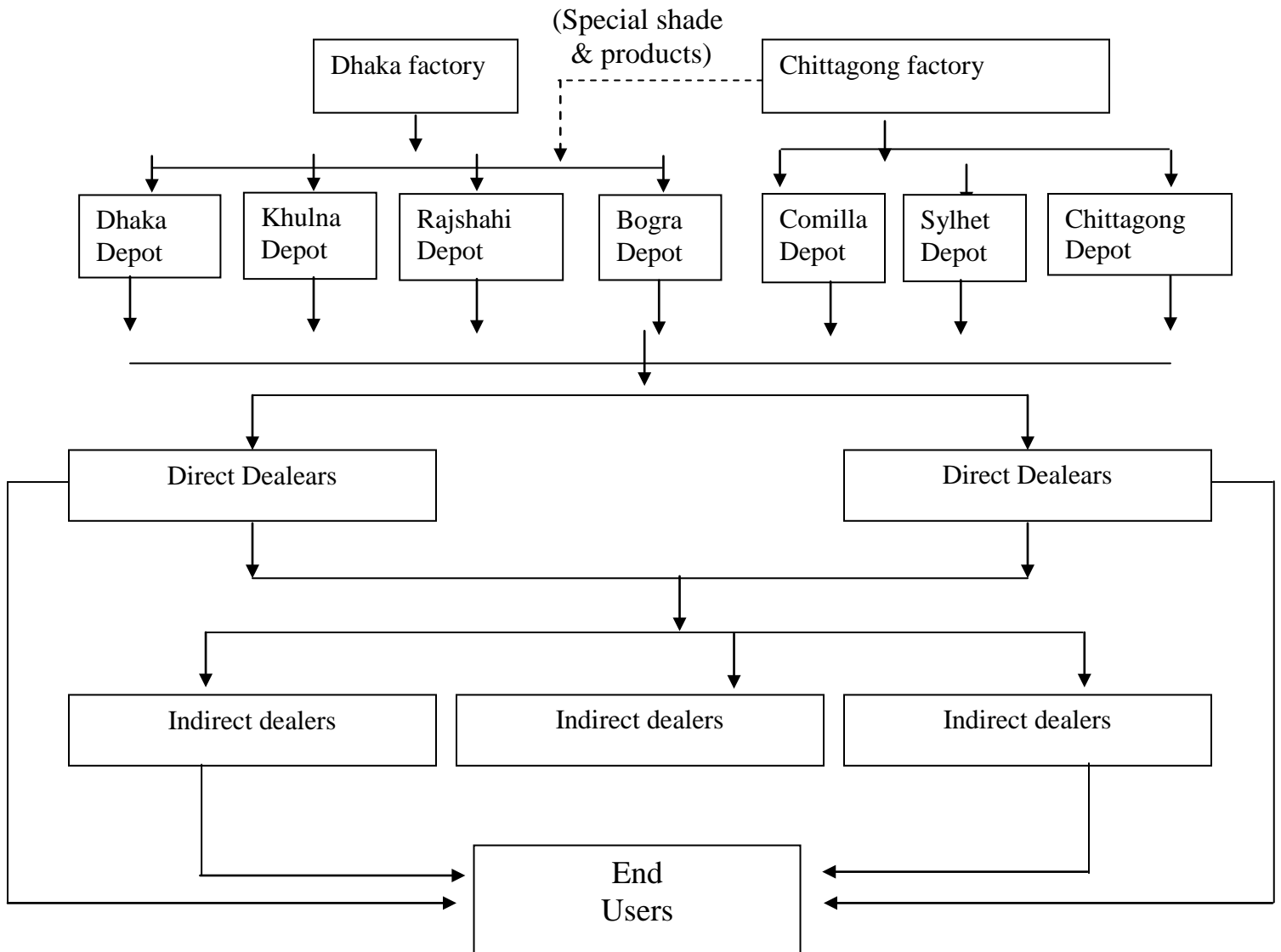
- 🚩 Factory Price
- 🚩 Dealer Price
- 🚩 Maximum Retail Price
- 🚩 Sales strategy

Berger had different sales strategy for its three different product lines and every after certain period they make some adjustment to keep it time worthy. Present sales strategies for all these different lines are:

- 🚩 Decorative paints are basically sold through Company’s registered Dealers.
- 🚩 Industry and Marine paints are basically sold through personal selling.

5.3 Place/ Distribution strategy

With its strong distribution network, Berger has reached almost every corner of Bangladesh. Their nationwide dealer network, supported by seven sales depots strategically located in Dhaka, Chittagong, Rajshahi, khulna, Bogra, Sylhet and Comilla has an unmatched capability of cater to the needs of the consumers of paints products, almost everywhere in Bangladesh



5.4 Promotional strategy

Berger generates different slogans with different messages to promote their various products. “Paint your Imagination” is Berger’s unique selling proposition. In their promotional activities they also promote different messages for their different products, so that become familiar to their customer. And over the last few years Berger uses these messages as one of the effective promotional tools. Some of the promotional messages are:

- 🎨 “Berger Luxury silk Emulsion – the best way to express your individuality.”
- 🎨 Walmasta “New smile of Your Exterior Wall.

Promotion Mix

Berger had to consider lot of factors while planning for advertisement as it deals with more of sensitive item that of utility. Berger being the market leader of the industry had to plan its ad expenditure judiciously.

in most of their advertisement Berger focuses on product feature and benefit of the product and Target group. And this is how company makes sure that their products are well known to their potential customer with the benefit they wants to get. At the same time same time Berger also promoted some advertisement for reducing the dissonance of their customer.

Recommendation

The following recommendations can be drawn for the further development of the Berger Paints Bangladesh-

- ✚ Berger Paints should provide emphasis on customer demand. It should satisfy the dealers demand and arrange product availability.
- ✚ It should pay heed to the dealers' growth rate, take initiatives to recover gap and always monitor their activities.
- ✚ Berger Paints should restructure its sales system. It can restructure through employing more SOs, day to day sales and delivery system, enrich end-user activists activities, frequent market visit, better communication with distribution.
- ✚ Its general sales procedures like taking order, preparing invoice, categorization of invoice, preparing rout plan, lining products for loading, final check and loading of vehicles should be automated.
- ✚ It should also organize distribution system through increase space for store systematic way, frequently update its database systems which shows products, pack size and color availabilities and increase the number of delivery van.
- ✚ The advertisements should be more informative. Ads should provide information regarding the functionality of the product (bases structure, feature, manufacturing process)
- ✚ Berger should have hotline customer care service. Where any sort of information could be get like about the mixing of color, price of each color according to the square feet the client want etc and the process should be easy. And the number that is given in the ad should be active every time.
- ✚ Dealer's outlet should be more presentable and there should be enough places from where customer can easily choose color.
- ✚ Berger should provide weekend leaflets in more magazines and in the news paper in every 2 weeks.

Conclusion

Berger Paints began its operation in Bangladesh since independence and now it is the market leader of Bangladeshi paint industry. Current market share of Berger is all most 55%. Different researches show that customer demand and the brand image are the most important assets of Berger for being the market leader of Bangladesh. Making this customer demand is possible not only by the quality products but also proper marketing strategies activities.

Again brand image is another important attribute for choosing the paint. Brand image and the quality products of Berger create a huge market demand so that dealers are pulled to keep Berger products. But Asian Paints the main competitor is doing aggressive marketing practice which becomes a threat for Berger. This aggressive marketing strategy is directly affected to the structured distribution channel of Berger. To cope up with Asian Paints practice Berger is trying to practice as like as Asian Paints. So now they are focusing on trade promotion rather advertisement. And this will affect to the consumer purchase decision. Because we know that brand image is directly related with promotional activities. This short term activities of trade promotion have long term effect to the customers mind. So to be the market leader of Bangladeshi paint industry it is very much important to select proper and organized communication mix for remain its brand image and increase customer demand.

The company has strong distribution network all over the country. It has more than 1000 direct dealers. In addition, numerous secondary dealers operating in the outskirts of the major markets are engaged in selling the products of the company. BPBL introduced many new products into the market like exterior emulsion, silk emulsion, readymade wall putty etc. it first introduced Color Bank back in 1998, which enabled the customers to choose his desired shades from an exclusive array of over 5,000 shades. It also introduces home décor service. It has good brand image. Berger has been trying to increase its brand image further through more media presence, arranging programmers like Berger Young Painters are competition, Berger Young architects award, scholarship program for architecture students of BUET. It is constantly working to improve its products quality through comparative study and customer feedback in order to maintain competitive edge.

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